



USAID
FROM THE AMERICAN PEOPLE

IN PARTNERSHIP WITH KAZAKHSTAN



1992-2008



This publication was prepared by the staff of the USAID Regional Mission for Central Asia, with inputs from USAID's grantees and contractors in Kazakhstan.

Photo: USAID

Photo on the front cover: ACDI/VOCA

Contents

USAID: From the American People	4
The U.S. and Kazakhstan Partnership for Development	5
Assistance for the Economic Transition	6
The National Bank	6
Capital Markets	6
Fiscal Management: Budgets, Debt, Revenues	7
Private Property: Housing	7
Privatization of State Enterprises	8
Safeguarding Pensions	8
Trade and Investment: Becoming Part of the World Economy	9
Transforming the Business Environment	9
Business Services to Develop Entrepreneurs	11
International Accounting Standards	11
Micro-Loans: Credits for Small Enterprises	12
Resources for Small Farmers	13
Experts for the Market Economy	14
Managing Energy Resources and Environmental Issues	15
Regional Water Management and the Syr Darya Basin	15
Coping with Shrinking of the Aral Sea	16
Reducing Environmental Threats	16
Experts for Environmental Protection	17
The Petroleum Sector	17
Regional Marketing of Electric Power	18
Assistance to Democratic Institutions	20
Civil Society for Communities	20
The Media: Access to Information for Citizens	20
Civic Education for Young Citizens	21
Legal Information	22
Conduct of Elections	22
Local Government: Citizen Participation	22
Increasing Effectiveness of Judges	23
Conflict Mitigation in Communities	24
Preventing Exploitation of Vulnerable People	24
Local Vehicle to Sponsor Small Initiatives	24
Support to Improving Health Status	26
Health System Reform	26
Primary Health Care	26
Delivery of Evidence-Based Services: Family Medicine	27
Managing Arterial Hypertension	28
Infant and Child Health	28
Reproductive Health Services and Fewer Abortions	29
Better Perinatal Care	30
Devolution of Financial Management to Oblasts	31
Rational Pharmaceutical Management	32
Controlling the Tuberculosis	33
Prevention, Control, and Treatment of HIV/AIDS	33
Pandemic Preparedness	34
Medical Education	35
Development of Nursing Profession	36
Emergency Medicine	36
Oncology	36
2008 and Beyond: Plans for the Future	38

USAID: FROM THE AMERICAN PEOPLE

The United States Agency for International Development (USAID) began providing assistance to Kazakhstan in 1992, soon after the country gained its independence. Since that time, the American people through USAID have provided over \$500 million to assist the development of the country's economy, health care system, and democratic institutions.

USAID operates under a bilateral agreement with the Government of Kazakhstan and is the largest single-country donor organization in Kazakhstan. USAID's programs cooperate with ministries, governmental and nongovernmental organizations, businesses, and communities to improve laws, create jobs, increase incomes, improve services, and better manage available resources. Programs in

Kazakhstan are implemented through contracts and grants with a number of local and international organizations, including U.N. agencies, for-profit companies, and nongovernmental organizations.

In a dramatic departure from traditional U.S. Government development assistance programs, in 2006, USAID and the Government of Kazakhstan signed a Memorandum of Understanding for the Program for Economic Development. Under this four-year \$40 million agreement the Government of Kazakhstan provides co-financing of USAID's economic growth portfolio, increasing its share of the funds from 25% in 2006 to 50% in 2009. This program enables the U.S. Government to deliver assistance programs for longer than would otherwise be possible and aims to broaden the

benefits of economic growth to reach more Kazakhstan's citizens. Activities focus in three areas: economic reforms, support to small and medium enterprises, and economic infrastructure. Within these three areas, USAID implements a number of multi-year projects that provide various types of technical assistance and training. This new type of cooperation reflects the strong and positive evolution of the two countries' economic development cooperation.

USAID is proud to be contributing to the development of Kazakhstan's economy and social sector.

This retrospective summarizes the history and achievements of this partnership towards the prosperity of the people of Kazakhstan.



"USAID's partnership with Kazakhstan over the past 15 years has been remarkable. The economic and social transformation undertaken by Kazakhstan is due in great part to the will and spirit of the people of this great country. USAID is proud to have played a supporting role as a strong partner with an important friend. We look forward to continuing our relationship in the years to come."

William M. Frej
Director
Regional Mission for Central Asia
USAID

The U.S. and Kazakhstan PARTNERSHIP FOR DEVELOPMENT

Over the past fifteen years, Kazakhstan has developed into a prosperous, successful country with a strong economy. Since 2000, the country has moved into a new stage of its transition as a market economy within the global system. In recent years, Kazakhstan has consistently used its large natural resource revenues to reduce public debt and maintained a solid tax revenue performance. From 2002-2006, GDP per capita increased by over 55%, and although inflation increased somewhat, the government budget remained in surplus, public debt shrank, and the trade balance remained very close to zero. Unemployment has fallen, albeit with regional and rural - urban differences.

The strength of Kazakhstan's economic performance is best summarized by its position in the World Economic Forum's Global Competitiveness Index, a composite of rankings over nine economic development areas: In 2007, Kazakhstan's overall rank was in the top

half of all countries worldwide – and well ahead of its Central Asian neighbors.

While there have been achievements in all areas, outstanding economic management is most notable. Privatization and diversification of the economy have produced important benefits throughout the society, demonstrating how all can benefit from continued economic growth.

The selection of Kazakhstan to lead the Organization for Security Cooperation in Europe (OSCE) in 2010 has put into perspective the country's progress in establishing an open and vigorous democracy; the Government acknowledges that the political process needs to be more open and the news media needs to be more free. The ways to improve health status have been effectively demonstrated by the Government. The resources needed to provide families with adequate health care

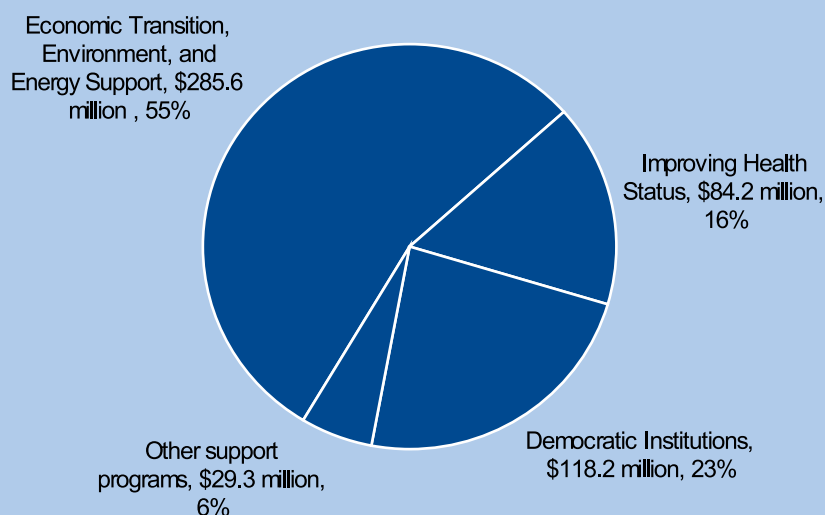
are now becoming available at the oblast (regional) and local levels.

The USAID Strategy

USAID has been collaborating in Kazakhstan's transition to a democratic society and a market economy through a four-part strategy:

- Economic Transition: creating the financial institutions needed to manage a globally competitive economy and supporting the growth of the diverse private sector;
- Energy Resources and Environmental Issues: helping to create a viable energy market and enabling the country's institutions to address key environmental problems;
- Democratic Institutions: enabling citizens to participate in determining national priorities and directions;
- Health Improvements: improving the health status of families, starting with children, and management of infectious diseases.

Figure 1: USAID: over \$517 million from the American people since 1992 for Kazakhstan's economic growth, health care, and democratic institutions.



Assistance for the ECONOMIC TRANSITION



In 2002 USAID received the “Best Donor Support Program for Small and Medium Enterprise in the Last Decade” award at the First Annual SME Awards in Astana. Sponsored by the Forum of Entrepreneurs and the Agency for Regulation of Natural Monopolies and Support of Small Business, the event honored the accomplishments of local businesses and international donors over the first decade of Kazakhstan’s independence.

Photo: Pragma

The National Bank

In the early 1990s, USAID helped to develop Kazakhstan’s capability to manage commercial banking and securities markets, which today play a leading role in the region. In the early transition period, lack of effective resource mobilization was a major constraint to economic growth. Starting from 1995, USAID helped to strengthen the ability of the National Bank of Kazakhstan to exercise effective risk-based bank supervision which underpins a modern commercial banking sector. Building on this assistance, the National Bank closed insolvent banks and reduced the number of banks from 230 to 75 to improve capitalization through implementation of stricter licensing procedures. USAID continues to help the National Bank to assure effective monetary policy and works to strengthen capacity for broader financial sector regulatory and monitoring capability. This facilitated the National Bank’s emergence as an independent entity able to effect real policy change. USAID also provided assistance on deposit insurance and helped Kazakhstan’s banks to adopt international norms for banking regulation in 1999. While in 1999 the percentage of private deposits as a share of GDP was 9%, by 2006 they exceeded 35%.

Capital Markets

USAID’s assistance has helped Kazakhstan to develop and implement the laws, regulations, and infrastructure

necessary to establish capital markets. USAID supported the formation of an independent Securities and Exchange Commission, assisted in opening the country’s first private stock exchange in Almaty in 1995, and promoted reliable share registries and depositories to provide the institutional mechanisms required for effective oversight of the nascent securities market. Broker/dealers’ operational efficiency and transparency were improved; assistance was provided to strengthen public sector institutions in the use of modern regulatory and enforcement mechanisms. USAID helped to develop an adequate number of debt-backed and equity-based financial instruments that promote investment diversification with minimal risk to institutional investors and to increase lending capacity within Kazakhstan’s economy. USAID worked to develop mortgage underwriting standards, loan documentation, training and certification of mortgage lending personnel while supporting development of a mortgage lending infrastructure to further enhance mortgage lending. As a result, by 2005 the mortgage industry had demonstrated impressive results, with residential and commercial mortgage lending of over \$564 million, an increase of \$200 million from 2004, and mortgage lending rates down at 13% from a high of 27% in 1999.

USAID assisted with the establishment of the Kazakhstan Mortgage Company, a key institution which made housing more affordable by lengthening loan terms and reducing effective interest rates. The corporate bond market, which USAID helped to create in 2000, has grown to \$2

billion of bonds in circulation. Mortgage-backed securities, introduced in 2002, now comprise \$300 million in outstanding mortgage bonds. Kazakhstan's first credit bureau, established with USAID's support by the National Bank and seven largest commercial banks, further strengthens country's financial sector and expands access to finance for citizens and entrepreneurs.

Fiscal Management: Budgets, Debt, Revenues

USAID has been a leading donor in the field of fiscal reform, helping Kazakhstan to implement sound fiscal policies for management of its large natural resource revenues. Tax revenue collection was also given high priority. USAID's advisors played a significant role in the design of a new Tax Code, introduced in 1995, which was regarded as the most efficient and equitable code to be adopted in any former Soviet republic. The code minimized economic distortions and greatly increased the fairness and transparency of the system, serving as a model for draft codes in Kyrgyzstan and Uzbekistan. USAID helped to design subsequent improvements in the Tax Code, enacted in 2002, that made the code easier to interpret and enforce. As a result, tax

collections increased sharply. In 1995, when USAID began substantial work in this area, tax collections were about 12% of GDP, fiscal arrears were 6% of GDP, and inflation was at 60%. By 2006, tax collections were at 26.8% of GDP, arrears had been virtually eliminated, and inflation stood at 8.6%.

Regarding the budget development process, USAID's advisors recommended that Kazakhstan implement medium term economic forecasting and improve expenditure planning. USAID helped the Government of Kazakhstan to build revenue and expenditure tracking systems as a key tool in facilitating effective budgetary planning and control, install a modern automated debt management system, as well as establish the legal basis for external debt management. Based on USAID recommendations, the Government of Kazakhstan created an innovative off-shore fund for natural resources revenues, the first of its kind in the former Soviet Union. The fund enables long-term management of the revenues from Kazakhstan's natural resource wealth and prevents the macroeconomic imbalances that have occurred in other resource-rich countries. By September 2007, assets in the National Fund stood at almost \$18.7 billion.

Private Property: Housing

Beginning in 1992, USAID contributed to the development of a private real estate and housing market. Assistance was focused on implementation of the Presidential Decree guiding the housing market through the transition to market conditions. USAID supported a pilot for privatization of housing maintenance and management in Almaty; creation of new urban land policy, including issuance of a law on mortgage finance and revisions in the land code; a demonstration project on the introduction of market-based rents in Kapchagay and Talgar; establishment of a land cadastre system in Almaty; and work on a fiscal cadastre as a framework for land taxation.

In 1996, USAID's programs helped to spark a national trend of forming condominium associations to manage privatized apartment buildings, notably in Almaty and Semey. The number of housing cooperatives doubled in 1996 to 1,300 and was increasing by 200 every month. USAID provided significant support in the areas of formation of the associations, housing allowances, and competitive contracting for services. This resulted in the creation of over 4,000 condominium associations by 1997 and significantly increased demand for private

USAID supports growth, development, and expansion of microfinance institutions that provide financing to country's small entrepreneurs. USAID's Central Asia Microfinance Alliance (CAMFA) program provides support for the Association of Microfinance Institutions in Kazakhstan (Almaty), helping it to become the advocate and provider of services for the sector.

Photo: ACDI/VOCA





The USAID-funded Farmer to Farmer program helped entrepreneur Olzhabai Musabai to turn his small business into a leading producer of fresh mushrooms in Kazakhstan. Mr. Musabai grows so called button mushrooms. Following Farmer to Farmer recommendations, he built a bulk pasteurization tunnel with an adjacent spawning room, hired a staff of six, and has been growing mushrooms at a new production site since 2001. Two years later, the business was producing 15 tons of mushrooms per year and had 10% of the Almaty market for fresh champignon mushrooms.

Photo: Winrock

services such as trash collection and building maintenance. These condominium associations organized themselves into 22 regional groups and subsequently formed a national association of homeowner cooperatives.

USAID-supported nationwide housing allowance program reached over 174,000 families through 110 housing allowance centers which operated a means-tested utility subsidy program, resulting in improved services to citizens and significant cost recovery by municipalities throughout the country. Based on a USAID pilot, the government adopted a policy to support full cost recovery in utilities, resulting in 30% cost savings in some communities.

Privatization of State Enterprises

By 1996, USAID had emerged as the single most significant outside contributor to Kazakhstan's small-scale and mass privatization programs. USAID-funded teams were directly involved in various aspects of privatization and as a result of this assistance the time taken to register firms during the mass privatization program was reduced ten-fold. USAID activities helped to demonopolize and restructure distribution systems and enhance competitiveness in the private sector. Such assistance helped the Government of Kazakhstan to finish the coupon privatization phase of the mass privatization program. USAID helped to draft the auction regulations and other documentation for the cash auctions of state-owned shares of medium and large-scale enterprises and provided a broad range of technical support in organizing auctions and territorial privatization committees. By the end of 1997, Kazakhstan privatized some 20,000 small- and medium-sized state-owned enterprises, or over 80% of all

state-owned enterprises in the country. In addition, USAID's advisors worked with Kazakhstan's officials on anti-monopoly measures which reduced the number of companies subject to price and profit controls, forced the break-up of a number of major holding companies, as well as helped to create an insurance and regulatory framework promoting competition and foreign participation. USAID's assistance was also instrumental to the development and growth of private enterprise in Kazakhstan. USAID's advisors helped newly privatized and emerging private firms to improve their prospects of competing in the global economy. When USAID started working in this area in 1995, 25% of GDP was generated by private enterprise. By 2006, this percentage reached 65%.

USAID also played a major role in developing a comprehensive legal and regulatory framework for energy sector privatization and from 1995-1999.

Safeguarding Pensions

With extensive support from USAID, Kazakhstan implemented a new pension system in January 1998, contributing to long-term fiscal stability, as well as ensuring political and social stability. By the end of 1999, after only two years in existence, the pension system had grown to \$467 million, adding to the ever-increasing pool of capital available for investment, as well as increasing economic security for the elderly and individual choice for citizens. As a result of this assistance, over half of all pension contributions by 1999 were flowing into private funds. To offer investment diversification options to the pension funds, USAID provided corporate finance and investment banking advice to the market participants. The Financial Times (July 1, 1999) printed an article declaring that "Kazakhstan's pension reform

programme is perhaps the most ambitious of its kind” and described the USAID program as “an outstanding success.”

Trade and Investment: Becoming Part of the World Economy

The Government of Kazakhstan’s Memorandum on the Foreign Trade Regime, prepared with the help of USAID’s advisors, was submitted to the World Trade Organization (WTO) in July 1996, a major step toward Kazakhstan’s accession to the WTO. USAID provided technical support to the government in preparing for the first round of negotiations in Geneva in 1997. The interval between submission and the first negotiation was the shortest in WTO history as was the negotiating session in Geneva, reflecting the high quality of the initial submission. The government, with assistance from USAID, produced reforms conforming to WTO accession:

- streamlining customs and licensing procedures,
- strengthening the foreign investment law,
- amendments to customs legislation to reduce export tariffs and end double registration of exports,
- trade remedy laws,
- legislation on countervailing duties, anti-dumping, and safeguards in conformity with the WTO agreement,

- licenses subject to international arbitration, and
- legislation in conformity with WTO’s Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

Through the years, USAID technical assistance improved the customs regime to reduce delays in customs clearance and processing; streamline, simplify, and clarify customs import, export, and re-export procedures and paperwork for customs declarations; ensure consistent application of customs regulations - and ensure conformity of the customs regime with relevant WTO agreements and principles. In parallel to the trade liberalization, USAID’s advisors assisted with improvements in the foreign investment law to clarify investors’ rights regarding admission, treatment, guarantees, expropriation, and dispute settlement. Amendments to Kazakhstan’s foreign investment law and reduction of investment constraints improved the situation for investors.

To reduce trade barriers, in 2004 USAID supported the expansion of Consultative Councils to 27 throughout the country. The Consultative Councils are comprised of private business and government representatives to identify and advocate for the reduction of cross border trade

barriers. In October 2005, U.S. Secretary of State Condoleezza Rice promoted the U.S.-Central Asian Trade and Investment Framework to bring governments and donors together to streamline customs operations as part of a transparent and predictable commercial environment. In response, USAID conducted a transit cost (or cost to market) analysis of the distance, time, and costs associated with moving truck cargo along international transit corridors.

To promote trade and easier access to markets, USAID continues to assist with WTO-compliant trade policies and more rapid transit and customs clearance. USAID works with the government and the private sector to improve implementation of business-related legal reforms, streamline administrative processes and promote operational improvements for the benefit of small and medium enterprises in the region.

Transforming the Business Environment

With USAID’s assistance Kazakhstan adopted a number of commercial laws that provide a basic framework for commercial activity. To support diversification of the economy as well as ease business

Gulnar Kakimova dreamed about opening a bakery, but her applications for a loan kept being rejected by the bank on the grounds that her business plan was inadequate. Determined to achieve her goals, Gulnar enrolled in a business planning course conducted by USAID’s Enterprise Development Center in Astana. Using the knowledge she had received at the training, Gulnar prepared a new business plan, and this time, the loan was approved. Her first installment came in November 2006, and her bakery is now operating in full swing.

Photo: Pragma



creation and operation, USAID focused on overcoming business constraints and promoting a free-market legal and regulatory environment that would benefit both local and foreign businesses. A detailed analysis of these issues, prepared by USAID based on a survey of Kazakhstan's business community, was circulated by President Nazarbayev in 1995 to promote further reform. By 1996, USAID's advisors were assisting 170 business advocacy groups annually.

In 1996 Kazakhstan adopted fundamental legislation defining and protecting the rights of parties to economic transactions. Through a Memorandum of Understanding, the Government of Kazakhstan and USAID agreed to work jointly in further development of 30 commercial laws. Free market-oriented laws on bankruptcy, foreign investment, and procurement were enacted with USAID's support. The number of companies subject to pricing and profitability controls was drastically reduced. In 2000, with assistance from USAID, Kazakhstan enacted laws decreasing by 65% the number of licenses required for businesses, eliminating unnecessary restrictions on free economic activity and reducing opportunities for corruption.

From 1998-2002 in partnership with Chevron, the local government agencies, and nongovernmental groups USAID engaged in a multi-sector effort to remove impediments to domestic business and foreign investment in Atyrau. The program helped the city government to make changes that resulted in a World Bank loan for the municipal water system, the UNDP-Chevron Business Center, and the Citibank-funded micro-credit loan program, as well as the development of competitive procurement standards by the Agency for Procurement.

USAID also facilitated the creation and operation of the Legislative Drafting Institute that works on the development of commercial legislation providing the legal framework for private business. Because commercial laws must be enforced in a fair, predictable, and transparent manner to be effective at supporting entrepreneurial activity, USAID provided training to 2,000 judicial officials and attorneys on trade and investment, bankruptcy reform, and general business law reform.

From 2003-2006 alone, USAID supported some 35 partners in 21 cities that helped to bring about over 40 reforms. USAID legal experts trained small and medium enterprise (SME) associations

and government officials to identify and remove legal and regulatory barriers to SME growth, at both the national and oblast (regional) levels. Among the USAID-supported improvements are the construction and remodeling requirements that were adopted in the first phase of construction reform in 2003 and reduced the time required for construction and the number of construction inspecting bodies. The 2004 Customs Code and its amendments in 2005 streamlined warehouse procedures and established a "low-risk" trader classification eliminating cargo inspections for over 600 traders. USAID also helped to eliminate mandatory service certifications for tourism companies, including burdensome compliance requirements, and strengthen intellectual property enforcement mechanisms. The new Law on Private Entrepreneurship, drafted with USAID's support, established in 2006 the limits on government regulation of business and requires regulatory impact analysis for every new law that may affect businesses. Assistance also was provided to the government in the introduction of a simplified visa regime for citizens of 27 countries in North America, Europe, and Asia; a reduction in the maintenance fee charged for public opening procedures and government tenders, thus increasing accessibility for SMEs; and a private sector moratorium on inspections in



The milk processing plant Molochny Soyuz (Dairy Union) in Petropavlovsk was processing 5,500 tons of raw milk per year in 2001. Its products were in high demand, but the company was causing environmental problems: it daily ran over 5,000 liters of unwanted whey into the local river. To help the company, a USAID advisor introduced technologies for several types of cheese and other products that used whey. Due to this consultation, the company not only greatly reduced pollution, but increased its revenues the following year.

Photo: Pragma

2008, providing an opportunity for deeper institutional inspections reform.

Business Services to Develop Entrepreneurs

In 1996, small businesses in Kazakhstan employed only 3% of the workforce, compared to 60% to 80% in Western economies. One of the early USAID's enterprise development strategies was the introduction of franchising concept to local enterprises. USAID's advisors helped to convert six existing local enterprises in Almaty, establish the Kazakhstan Franchise Association, and develop a new Franchising Law.

From 2000-2006 USAID delivered a comprehensive package of information, technical assistance, business training, and advisory services to entrepreneurs and business managers throughout the country. Early efforts focused on businesses that receive small business loans from the European Bank for Reconstruction and Development, but subsequently USAID expanded the range of its assistance. Through six Enterprise Development Centers (in Almaty, Ust-Kamenogorsk, Pavlodar, Uralsk, Atyrau, and Astana) USAID provided direct consulting services to nearly 800

businesses. On average, this support increased company sales by 19% and productivity by 11%. USAID also helped to open a Quality Management Center – the country's first consulting body capable of delivering ISO (International Product Standards) 9000 - related training and consulting services at an international level. This center is now functioning independently from USAID's support and is helping small and medium businesses to acquire ISO certification.

As a result of USAID trade facilitation support, nearly 300 businesses signed over \$75 million worth of trade deals. After being transferred from a USAID program to a private entity in Kyrgyzstan, an internet-based Central Asian Internet Trade Portal www.smetradecenter.net continues providing an internet platform for trade deals in the region. An Enterprise Development Center in Astana, launched by USAID and ExxonMobil in 2005, has trained over 4,500 current and future businesspersons and is now being continued by two local organizations.

International Accounting Standards

When Kazakhstan gained its independence, the republic had no

standardized, credible financial data with which private domestic and foreign firms, banks, and governments could make key business decisions. USAID encouraged Kazakhstan to adopt International Accounting Standards as a means to attract international investment and helped the government prepare for the transition.

In 1996, Kazakhstan became the first of the former Soviet Republics to adopt International Accounting Standards, and by 2000, some 2,000 Kazakhstan's enterprises had converted to the new standards with USAID's assistance. USAID helped to develop training curriculum on the new standards, prepare a cadre of national trainers, and set up a regional body to conduct testing and certification of specialists for internationally-recognized qualifications in accounting. With continuous assistance from USAID, by 2008 Kazakhstan had over 4,000 accountants who have passed exams for internationally-recognized qualifications of Certified Accountant Practitioner or Certified International Professional Accountant, while the certification body had become self-sustainable.

USAID also helped to introduce a modern accounting curriculum in Kazakhstan's universities and trained some 160

USAID helped the Kazakh Economic University named after T. Ryskulov to prepare a new accounting curriculum and education standard for the country's universities. Additionally, 160 economic university professors were trained to teach the new curriculum in compliance with the country's new education standard. This will annually benefit 300,000 business and accounting students and ensure that graduates are qualified to fill the needs of the country's businesses and firms. "This program helps us in the transfer to international accounting standards," says Sedep Myrjakypova, Head of Accounting and Auditing Chair of the university.

Photo: Pragma



economic university professors to teach it. This will annually benefit 300,000 business and accounting students and ensure that graduates are qualified to fill the needs of the country's businesses and firms.

In 1999, USAID also began providing assistance to improve auditing in the country. USAID's advisors helped the Government of Kazakhstan to adopt an auditing law that gives standard-setting as well as auditor-qualification and certification authority to a self-regulating institution. In 2002, the Accounts Committee (the Supreme Audit Institution of the Republic of Kazakhstan) requested that USAID assist in improving its functions as well. With USAID's support, auditing standards were developed, which are in accordance with the International Standards promulgated by the International Organization of Supreme Audit Institutions. The standards are now of mandatory application by all public sector audit groups, both internal and external, at all levels of government. In-depth training and advice was provided in piloting and executing performance audits, as well as in developing a Strategic Plan for Audit, covering all public sector audit groups by 2007.

Micro-Loans: Credits for Small Enterprises

USAID's support to micro-enterprise development began in 1996. The first task was creation of a legal framework to offer small loans without collateral; USAID and a group of nongovernmental organizations developed a banking regulation creating "non-banking financial institutions". In 1997, USAID founded Kazakhstan's first non-bank financial institution, the KazMicroFinance (formerly the Kazakhstan Loan Fund). Currently KazMicroFinance operates eight branches throughout Kazakhstan, five of which opened with USAID's support, and provides loans to 24,000 businesses. In 2007, this institution was named by the Forbes Magazine one of the world's 50 best microfinance institutions.

Four other microfinance institutions: Asia Credit Fund in Almaty (with a branch in Semey), Farmers' Fund in Shymkent, as well as DAMU and West Kazakhstan Fund in Uralsk received USAID support through 2006. Technical assistance and a broad range of training to these microfinance organizations improved their internal controls and sustainability, and increased their ability to attract funding from wholesale lenders. By 2007 these

microfinance institutions served over 23,000 active clients and had a \$27 million aggregate loan portfolio with the portfolio at risk below 2%.

To encourage the creation and expansion of small and medium-sized enterprises from 1994-2002, the USAID-funded Central Asian American Enterprise Fund provided over 30 loans to Kazakhstan's companies, mainly in the textile and food processing sectors. USAID's advisors helped loan recipients with business plans and post-investment business development. Additionally, commercial banks, through which the fund was issuing loans, received training on credit analysis and administration. However, due to imprudent management practices, the fund was closed in 2004. Its resources were used in 2007 to establish the U.S. - Central Asia Education Foundation that sponsors educational opportunities in the region.

In 2002, USAID helped to establish the Central Asia Small Equity Fund, the first organization to provide equity financing to small and medium enterprises. The following year, USAID funding helped to launch a regional wholesale lending institution Frontiers that serves a market of microfinance institutions with significant capital needs but limited access to



Svetlana Ahmetova and her two children moved in with relatives in Almaty when her husband passed away. She sold her apartment and rented a stall in the bazaar to sell beverages and cigarettes. The profit paid her family's expenses, but was not enough to afford an apartment of their own. Svetlana's friends referred her to the USAID-supported Asian Credit Fund, and she got approved for residential mortgage loan. "Because of the Asian Credit Fund, I was able to buy an apartment without closing my business," says Svetlana.

Photo: Asian Credit Fund

formal financial facilities such as banks, international lenders, management funds or equity investors. Currently, Frontiers successfully borrows from international investors and has 71 active clients with a portfolio of \$6 million in loans. To expand access to finance for small and medium enterprises, USAID funded training of loan officers at seven banks, participating in a micro-lending program by the European Bank for Reconstruction and Development. In 2004, the portfolio of these seven banks grew by 90% to \$236 million and the number of outstanding loans exceeded to 44,000. On average this assistance program disbursed nearly 5,000 loans per month with an average loan size of \$5,300.

To reduce the regulatory burden and offer more credit options for urban and rural citizens, USAID also worked with the National Bank on new legislation for microfinance organizations and credit partnerships. To develop local capacity for advocacy and services to the country's microfinance institutions, USAID helped to create the Micro Finance Association, AMFOK in 2004 and continues to support its growth. The association provides training and services to members, supports policy development and advocacy efforts related to microfinance sector, and coordinates activities of mutual interest among microfinance institutions.

Following a USAID-sponsored food processing study tour to Germany, Zhaman Sariev, a farmer from Uralsk Oblast began using artificial insemination techniques on cattle at his dairy farm. He also increased his herd, purchased new milking equipment, and started giving his cattle improved feed. These changes increased milking capacity from 7-8 liters to 30-40 liters per cow and enabled Mr. Sariev to sign new agreements to supply milk to the Atyrau milk plant, area kindergartens, and hospitals. He also started processing cheese using the technology learned at the study tour.

Photo: AED

Resources for Small Farmers

Starting from 1992, USAID has supported agribusiness in Kazakhstan through its Farmer to Farmer program. Each year, this program brought some 25 volunteer specialists to improve on-farm operations and productivity in dairy, meat, field crops, and water use areas.

In the mid-nineties, USAID provided training to officials and farmers on how to restructure existing water user associations, so the associations would be eligible to participate in an \$80 million agricultural sector loan from the World Bank. The success of this effort is indicated by the establishment of seventy farmer organizations by 1998. At the end of 2002, the Parliament approved the Law on Agricultural Water User's Cooperatives, which empowered farmers to fully operate and maintain the local irrigation networks. The new law defined relationships of parties involved in water delivery and consumption, and stated legal rights of cooperative members, providing conditions for the administration and use of the water source. To facilitate development of this law, USAID organized study tours for farmers and high-level policy makers to observe irrigation management in other countries.

During 2004 USAID helped small farmers to claim rights provided by the new Land Code, which had been structured to favor primarily large-scale farming. USAID carried out a public information campaign informing share holders in Kazakhstan about the urgent steps they needed to take before January 1, 2005 in order to protect their land rights. A network of legal aid offices (in Astana, Petropavlovsk, Kostanai, Kokshetau, and Aktobe) helped 12,000 small farmers to realize and secure their land rights, thus promoting economic growth and investment opportunities in the agricultural sector. To improve on-farm productivity, USAID provided organizational, technical, and business trainings to 15 water users associations from 2004-2006. By the end of the program, participating farmers achieved a 26% increase on average in their productivity of alfalfa, corn, rice, melons, gourds, and grains.

Through 2005, USAID funded consultations to Kazakhstan agribusinesses and farmers provided by the Israeli International Development Agency MASHAV at agribusiness consulting centers, located in Almaty, Astana, Atyrau, and Chimkent. More recently, USAID has partnered with several U.S. private sector dairy and livestock supply companies to improve Kazakhstan's dairy practices.



Experts for the Market Economy

To facilitate development of economics and entrepreneurship skills among the country's youth, from 1994-2008 USAID provided funding for Junior Achievement. Over the years, USAID's support has helped Junior Achievement to bring a range of business and economics education programs for Kazakhstan's students, as well as develop the country branch of the organization into a sustainable institution that is able to attract private sponsorship for its programs. By 2007, Junior Achievement had trained over 4,000 teachers to deliver its programs in schools and was annually holding over 1,000 courses across the country for more than 227,000 youth. Several of Junior Achievement textbooks have been endorsed by the Ministry of Education and Science for use in Kazakhstan's classrooms.

In 1995, USAID began cooperating with the Kazakhstan Institute for Economics, Management and Research (KIMEP) and became the major supporter of its Master's Program in Economics, focused on modernization of the economics teaching curriculum and training materials, and on developing outreach programs for the economics faculties at state universities. USAID also supported KIMEP's Master's Program in Business Administration and its economics programs, financed attendance at U.S. universities of a group of its superior students who had agreed to return to KIMEP as faculty members in 1997, and endowed a scholarship for its superior students.

From 2001-2006, USAID worked with numerous higher education institutions to advance the quality of business and economic education programs and services. Training and networking opportunities enabled professors of

economics and business to narrow the disparity between western and Central Asian curriculum standards. USAID also introduced new student and business services through pilots at universities in Uralsk, Almaty, Pavlodar, Shymkent, and Ust-Kamenogorsk. To improve access to information for university students and faculty, USAID helped to create a Kazakh Research and Educational Network Association, KazRENA, in 2002. Through this association, Kazakhstan joined NATO's Virtual Silk Highway project, and more than 40 major state and private universities, as well as several academic institutes and library associations received quality Internet access by satellite. Additionally, USAID matched private-sector donations to sponsor university scholarships to 44 qualified Kazakh students in 2006.



In March 2008 Junior Achievement held its third National Student Tournament in Economics in Kazakhstan. Sixty students from 10-11 grades, winners of school and oblast-level competitions from all over the country competed in their knowledge of economics and banking. Winners received scholarships to study at prestigious universities in the country and Russia. One of the program participants noted: "I believe that Junior Achievement is the best school for preparing economists!"

Photo: Junior Achievement

Managing ENERGY RESOURCES AND ENVIRONMENTAL ISSUES

Regional Water Management and the Syr Darya Basin

Economic growth in the agriculture sector, optimum generation and marketing of hydro-electric power, restoration of the Aral Sea, as well as amicable relationships among the nations of Central Asia depends significantly on the improved management of water resources. Starting in 1994, USAID facilitated participation of Kazakhstan's officials in multiple water management study tours in the United States and Israel, as well as assisted the Central Asian Interstate Council in organizing a series of water-users roundtables for the five countries. The main result was that in 1998 the four Syr Darya riparian countries signed a Framework Agreement on the Use of Water and Energy Resources of the Syr Darya basin. The agreement created a legal basis for balancing the winter energy needs of Kyrgyzstan and Tajikistan with the summer irrigation needs of the downstream countries and the timing of

water flows to the Aral Sea. It provided for sustainable distribution of water from reservoirs and irrigation systems across borders, linked to energy needs.

To support the implementation of the Framework Agreement, from 2003-2005 USAID developed a Naryn-Syr Darya Cascade Planning Instrument. This modeling tool was introduced in all key regional and national water and energy agencies so they could plan and monitor regional water and energy exchanges and determine the environmental and economic consequences of hydroelectric power plant operation changes that are driven by the electricity market. Due to this tool Kazakhstan was able to upgrade its water regime requirements for the Naryn-Syr Darya Cascade reservoirs, Syr Darya Delta, and Aral Sea.

From 2001-2005 USAID's water sector initiatives in Kazakhstan were two-fold:
a) upgrading data monitoring systems for

water allocation decisions, an urgently felt need after the 2000 drought, and b) training in how to use these data and apply them in transboundary and national water management decisions. Strengthened data collection and communication systems promoted national and regional information sharing that is needed to help water managers to better forecast annual snowmelts, as well as model the allocation of water in the multi-national system. USAID provided equipment, computer software models, and training.

USAID's work with national hydro-meteorological services in the five Central Asian Republics led to an agreement to share all water and weather data within the region. By sharing the information, decisions on water use are based on real conditions, thereby reducing the potential for conflict among the countries. Through 2006, USAID set up 20 meteor-burst platforms (10% of Kazakhstan's network) that enable the countries to timely plan water resources use and issue warnings

Some 900 hectares of land in Yassy, near Turkestan, became suitable for planting gardens and fruit trees after USAID helped the Yassy community rehabilitate its irrigation system in 2004. With USAID support, the community dredged seven kilometers of irrigation canals and repaired two wells. "When I decided to start my own farm, I bought a garden plot close to the irrigation canal. However, due to the poor irrigation system, my trees started to dry up. I worried that my investment had been wasted," says Galymzhan Djalilov. "Now I am confident that my garden will survive."

Photo: ACDI/VOCA



on dangerous phenomena. Near Almaty, USAID installed a satellite receiving station, equipped with special information technology that utilizes meteor-burst communications to transmit real-time data throughout the entire region. A total of 150 specialists were trained to operate these systems and conduct weather and flow forecasting. By 2006, the USAID-sponsored Central Asian meteor-burst data communication system began to play a pivotal role in regional water management, giving users real-time data to plan water resource use, issue warnings on avalanches and flooding, and forecast agriculture crop harvests and hydropower production. Drawing from the meteor-burst network, the World Bank plans to install ten more water stations in the downstream of the Syr Darya River and connect them to the master station near Almaty.

Coping with Shrinking of the Aral Sea

In early 1990s, USAID provided assistance to alleviate the impact of the shrinking of the Aral Sea. In 1994, Kazakh officials participated in a USAID-supported water management study tour of western U.S. water control systems prior to beginning work on the Aralsk-Kazalinsk water pipeline project. USAID supported the

project to increase the availability of potable water and to improve public information on safe water practices, as well as water pricing policies. Completed in 1997, the USAID-led Aral Sea initiative helped to mitigate some of the health hazards caused by degradation of the Aral Sea Basin, provided potable water for area residents, and facilitated regional cooperation through multilateral water-sharing and resource management projects. USAID helped rehabilitate 29 wells in Kosaman and Berdykol water wellfields, seven water pumps, and two chlorination stations to provide water to Aralsk and Novokazalinsk. Over 1.1 million people received potable water, while health and sanitation was improved for 1.5 million people.

More recently, USAID and the Israeli International Development Agency Mashav implemented a joint program in the Aral Sea wetlands region to improve the livelihood of thousands of fishermen. By 2005, the program rehabilitated a fish hatchery, created a low-cost vegetable greenhouse, and helped upgrade the Kambash fish processing facility in Kysyl-Orda Oblast (region). The fishery now can process more fish, the quality of the fish coming to the processing plant is higher, and frozen products reach more distant markets. Meanwhile the hatchery, with the capacity of producing several million

fingerlings per year, is increasing fish population for fishermen in the Aral Sea delta region of the Syr Darya River.

Reducing Environmental Threats

With USAID's assistance, the country has established itself as the region's leader in pursuing climate control measures. USAID supported the Government of Kazakhstan in dealing with the United Nations Framework Convention on Climate Change and the Kyoto Protocol procedures that lower carbon emissions.

From 1994-1996 USAID helped the Government of Kazakhstan draft rules and regulations for licensing and environmental safeguards. The EcoLinks program, implemented from 1998-2006, promoted environmental improvement projects by facilitating partnerships between U.S. and Kazakh firms. Kazakh firms received eleven partnership grants totaling \$600,000 to support pollution prevention, energy efficiency, water conservation, and waste and wastewater treatment. This program led to approximately \$1.5 million industrial investments in Kazakhstan.



In 2007 nine students received Master's in Science Degree in Environmental Management and Engineering from the Eurasian National University program. The program was created with assistance from USAID, Eurasia Foundation of Central Asia, AES Corporation, and the University of New Mexico to prepare international-level specialists that could address ecological problems in the region.

Photo: Eurasia Foundation of Central Asia

In 2002 USAID provided information about the best environmental management practices in the development of oil and gas. With USAID's assistance, Kazakhstan adopted progressive rules and regulations requiring more environmentally sound petroleum drilling and pipeline transport operations. In 2003, USAID funded a Kazakh environmental firm, Promec, to work with the Government of Kazakhstan in the oil and gas industry. Promec assessed flooded oil wells, using a methodology that was developed with USAID's support to reduce the potential for environmental hazards within the industry. USAID demonstrated methods for cleaning up abandoned oil and gas sites near the Caspian Sea; the Government of Kazakhstan adopted the methods for major clean-up operations. USAID also helped to establish the Kazakhstan Business Association for Sustainable Development to work on the improvements of environmental laws and policies as they relate to industry.

Experts for Environmental Protection

To prepare local specialists for dealing with region's environmental issues, USAID formed an alliance with the Eurasia Foundation and the American Energy Systems Corporation and established a Master of Science Program in Environmental Management and Engineering at the Eurasian National University in Astana. In 2007, the first nine students graduated from the program, and ten more were scheduled to complete it in 2008.

The Petroleum Sector

In 1994 and 1995 USAID helped to promote oil and gas development. USAID recommended that the Government establish an independent oil and gas

regulatory agency. Assistance helped to develop a cost-of-service rate-of-return oil pipeline tariff methodology, as well as offshore oil and gas rules and regulations. Government officials were trained in international petroleum economics, petroleum investment agreements, energy regulation, as well as oil and gas project finance.

At the request of the Deputy Prime Minister, in 2001 USAID commissioned the Domestic Petroleum Products Study to address issues between the Government of Kazakhstan and the international oil companies related to the export quotas for oil. This study, with its strong anti-corruption element, continues to serve as the basis for policy reform in the petroleum sector, with the following recommendations:

- Divestiture of the state commercial interest in the sector of its regulatory functions;
- A rationalized tax structure that eliminates the bias against domestic products;
- A national database that tracks petroleum products from the well fields to the markets.

Work on oil and gas partnerships brought about improved policies, including public participation in regulatory decision-making and streamlining of an environmental permissions process related to air emissions. In 2003, USAID's advisors created a sophisticated database program and trained staff at the Ministry of Energy and Natural Resources to track oil, gas, and petroleum products. Assistance was provided in developing oil pipeline tariff methodology and reviewing the offshore oil and gas regulations, including plugging and abandonment rules and the National Oil Spill Prevention and Response Plan.

Based in part on USAID's support, the Kazakhstan Petroleum Association and the Kazakhstan Business Association for



Through 2006 USAID and the Israeli International Development Agency MASHAV worked to improve the livelihood of fishermen in the Aral Sea region. USAID and MASHAV provided a refrigerator unit for a processing facility and a refrigerator truck so that fresh fish can now be delivered and kept at the plant in excellent condition year round. This increased the productivity of the factory, improved the quality of the fish coming to the processing plant, and expanded the market by allowing frozen products to be delivered to more distant areas.

Photo: USAID

Sustainable Development have gained recognition as powerful advocates for environmental and energy-related issues.

In 2004, USAID supported training by the U.S. Department of Interior on management of offshore oil and gas resources, including the methodology for assessing Caspian oil and gas reserves. USAID developed training modules that were incorporated into the curricula of eight universities or petroleum related institutes. USAID assisted the establishment of student groups at universities including chapters of the Society of Petroleum Engineers. Petroleum specialists at the Ministry of Energy and Mineral Resources received support through workshops and a study tour to the U.S. in connection with development of Kazakhstan's oil and gas resources in the offshore area of the Caspian. Innovative training for officials at the Ministry of Energy and Mineral Resources helped to draft better tendering procedures for a series of oil and gas leasing tenders that took place during 2004.

Based on USAID recommendations, the Government of Kazakhstan created an innovative off-shore fund for natural resources revenues, the first of its kind in the former Soviet Union. The fund enables

long-term management of the revenues from Kazakhstan's natural resource wealth and prevents the macroeconomic imbalances that have occurred in other resource-rich countries. By September 2007, assets in the National Fund stood at almost \$18.7 billion.

Regional Marketing of Electric Power

The power sector deteriorated rapidly after independence due to lack of funds for operation and maintenance. With the national energy system near collapse, the remedy was sale of assets to the private sector to acquire the needed investment capital. USAID organized a study tour to the U.S. for senior Kazakh energy officials that demonstrated the benefits of privatization.

In December 1995, the Government of Kazakhstan directed that: a) an independent regulatory commission for electricity be established, and b) the national generating capacity be privatized. In response to the government's decisions, USAID supported privatization of major energy assets, including 90% of the national power generation capacity. USAID assisted the establishment of the independent Energy Regulatory Agency, which used pricing mechanisms

recommended by a USAID-funded tariff study. These changes created incentives to attract foreign investment in the power generation, transmission, and distribution sub-sectors.

In consultation with USAID's advisors, Kazakhstan decided in 2000 to unbundle and privatize all regional electricity companies. In return, the World Bank agreed to finance a \$260 million Transmission Grid Rehabilitation Project. In 2002, U.S. experts promoted market-based utility tariffs that protect disadvantaged customers and encourage energy conservation. With USAID's assistance, energy-consumer NGOs learned to advocate open and transparent energy prices and improved services.

In 2003, training and partnerships with U.S. policy specialists helped to establish the Kazakhstan Energy Association (KEA), the Anti-Monopoly Commission, and the Kazakhstan Electric Grid Operating Company (KEGOC). USAID assisted KEA to develop rational tariff reform policies and to advocate for adoption of energy efficiency concepts. These changes paved the way for increased levels of public participation in the rule-making and transparency of the regulatory process. USAID helped to disseminate information to electricity generation, transmission,



A modern heating system, installed by USAID at a public school in Atyrau, west Kazakhstan, decreased school's heating costs by 60% in 2003. The new system operates in a stand-by mode during the off-business hours, holidays, and vacations, and then restores the desirable indoor temperature by the time the school re-opens and its 1,100 students return to their classes. The Deputy Akim of the City expressed interest in installing similar technologies in other schools, to be paid for by the city budget.

Photo: USAID

and distribution companies, as well as to environmental organizations.

In 2003, USAID's strategy shifted from policy and regulation of the overall energy sector to the demonstration of new policies, regulations, and practices for energy use, including more demand-driven buying and selling of power. The adoption of new technology and ideas to increase energy efficiency in the Atyrau heat and power system enabled the city to achieve 25-30% savings.

In 2004, a USAID seminar on electricity retail market issues contributed to the government's adoption of a protocol and a new Electricity Law, allowing for more demand-driven buying and selling of power. To support energy efficient projects, USAID signed an agreement with Kazkommertsbank and provided a \$15 million loan portfolio guarantee for loans that funded energy saving, energy efficiency, and renewable energy projects in municipal and privately-owned companies.

USAID assisted the City of Almaty's Department of Social Protection to improve customer service and extend the city's safety net program that helped the poor in paying utility bills, increasing the

number of supported families by 13% in one year.

More recently, USAID has been helping to identify ways to reduce commercial energy losses, increase energy cooperation in the region, develop a regional electricity market, and design a regional Power System Planning Model. USAID also facilitates participation of the national energy companies of Kyrgyzstan and Tajikistan in Kazakhstan's electricity market, which could help to eliminate summer electricity shortages in southern Kazakhstan.

In 2007, USAID's Central Asia Regional Market Assistance Program (REMAP) helped to launch an electric power sales arrangement between Kazakhstan and Kyrgyzstan. The arrangement has a potential to provide up to 20% of the electric power for the Southern Kazakhstan Oblast (region) every summer.

Photo: USAID



Assistance to DEMOCRATIC INSTITUTIONS



To strengthen local nongovernmental organizations, USAID provided training, information, networking opportunities, and professional assistance through a network of eight civil society support centers. USAID issued grants to leading NGOs in specific sectors, sponsored programs to engage communities in local issues, and promoted social partnerships.

Photo: IFES

Civil Society for Communities

Prior to 1990, there were virtually no nongovernmental organizations (NGOs) in Kazakhstan. In the 1990s, NGOs were formed rapidly, and by the end of 1996, there were 440 active NGOs in the country. Eighty of these NGOs formed Central Asia's first NGO coalition in 1996. USAID's early assistance to citizen groups during this stage concentrated on building organizational capacity and later shifted to public policy advocacy and social partnerships among NGOs, government, mass media, and private businesses.

USAID supported NGOs that are working across a wide spectrum of disciplines, from economic issues to social development. A growing number became involved in public advocacy efforts and, through USAID training and technical assistance, have demonstrated a capacity for developing governmental relations, providing public education, and uniting citizens with common interests.

In addition to providing funding for NGO activities, training, and technical assistance, USAID helped to create a network of eight civil society support centers (in Almaty, Atyrau, Aktyubinsk, Kustanai, Astana, Karaganda, Semipalatinsk, and Ust-Kamenogorsk) to meet the ongoing needs of local organizations. Each of the support centers has created a cost-effective local cadre of trainers, and offers access to library and other information resources to strengthen the capacity of local organizations. This

network provides services throughout the country and is now self-sustaining.

From 2004-2006, USAID also supported a network of professional lawyers in the NGO support centers to provide legal consultations to NGOs, initiative groups, and individuals on a broad range of issues including NGO registration, taxation, and labor issues. Training and technical assistance to local NGOs promote regular NGO self-assessment and strengthen management, fundraising, financial management, external relations, democratic governance, and constituency building.

To improve the operating environment for all non-commercial groups, USAID's programs have provided access to information on international standards and best practices in this area. The legal environment for NGOs has improved substantially since the early nineties when strict registration requirements and limits on geographic expansion hindered the growth of the NGO movement.

The Media: Access to Information for Citizens

USAID's early assistance to the local media focused on increasing the professional skills of media outlets through training and the provision of equipment. USAID provided co-funding to television stations for the production of informational programming on a range of topics. Over time, support shifted to enhancing station management and financial viability,

expanding and improving the objectivity of reporting, and promoting media monitoring.

Over the past fifteen years, hundreds of print and broadcast journalists received USAID-supported training to hone their skills. In 1990 only 10 national newspapers and magazines were published and 21 TV and radio stations broadcast, and by 2004, there were 2041 mass media bodies, including 1211 newspapers, 477 magazines, 124 TV and radio stations, 15 news agencies and 159 electronic media outlets. By 2006, more than 90% of people in Kazakhstan reported receiving information about public policy issues from television.

In 2002, USAID prepared a Media Barometer Index through focus group discussion with representatives of national and regional non-state media outlets. The survey found that Kazakhstan's media ranked highest of the Central Asian countries, a tribute to their business skills and professional standards. Areas where Kazakhstan excelled were organizational capacity and the development of organizations supporting independent media.

USAID also supported media associations. With USAID's assistance, the Association of Independent Electronic Mass Media was formed in 1995 to share information among members, present united policy positions, and protect the interests and independence of electronic media. The Kazakh Press Club was established in 1995 with the help of USAID and is now a sustainable organization. Beside organizing press conferences and other media events, the press club also provides training for journalists and other media professionals with grants from various donor organizations.

Civic Education for Young Citizens

To increase the availability of information on civic rights and responsibilities, as well as domestic issues, from 1999-2006, USAID sponsored civic education courses for 43,000 10th and 11th grade students in 696 schools. Of the more than 700 teachers who were trained to use the curriculum, 98% reported satisfaction with the effectiveness of the teaching materials for understanding the role of a citizen in a democracy. In 2006, the Ministry of Education expressed interest in using the civic education textbook and methodology as a model for developing new courses and textbooks for the country's education system.

Nearly 100,000 secondary school students participated in special after-school programs – Critical Thinking, Step by Step, Debate Center, Student Action Committees, Democracy Summer Camps, and Volunteer House – that were designed to introduce more democratic teaching methods, increase the involvement of parents, and boost student activism. Student Local Government Days enhanced youth awareness of the work of the local-level administrations. In 2004, the Ministry of Education provided an incentive to teachers to work in the Step by Step program, adding a 10% bonus to the salaries of the teachers that use the Step-by-Step methodology in their classes. A survey revealed that 84% of students applied their knowledge to solve local issues in their communities.

An example of student activism was provided by the Youth Information Service of Kazakhstan. This group successfully lobbied the Parliament for the adoption of a new student contract, governing relations between the university and their students, a relationship previously fraught



USAID's media initiatives provided training and assistance to improve the use of modern production technology and update journalism quality in both print and broadcast media. In addition, a production fund encouraged local programming, and a legal advisor provided consultations to media outlets.

Photo: USAID

with corruption. USAID also assisted the Kazakhstan Reading Association (KazRA), focused on promoting the teachers' role in educational processes. By 2006, the association had over 3,000 members and was implementing activities that encouraged critical thinking among the students and active participation in their communities.

USAID supported Street Law training to increase understanding of civic rights and responsibilities. More than 1,200 law students learned practical skills – preparing legal briefs, developing oral arguments, conducting legal research and examining witnesses – that were not part of the regular law school curriculum. The Student Bar Association was established in 2001 with USAID's support.

Legal Information

USAID helped to establish a law library in Almaty, which included databases of legislation from other countries. In 2001, USAID and UNDP supported legislative drafting centers at the oblast (regional) level, with the Parliament providing computers to the centers. USAID also supported legal information centers in several universities.

Conduct of Elections

Beginning in 1992, USAID provided training and other assistance related to the organization of elections at the national and local level. In 1997, USAID and the Central Election Commission began a program to improve existing election laws, train election officials and election observers, and conduct voter education campaigns prior to parliamentary and presidential elections. USAID also provided training to the Republican Network of Independent Monitors, a domestic election monitoring organization. For elections in 2005 and 2007, USAID supported election observation and media debates.

Local Government: Citizen Participation

USAID's effort in promoting effective, responsive, and accountable local government in Kazakhstan focused on decentralization, citizen involvement, and improved resource management.

From 1994 to 1996, the City of Atyrau, with USAID's assistance, demonstrated that local government was capable of identifying needs, setting priorities, and

presenting well-justified resource requests to the national government. The city's financial system was reformed, based on western accounting practices that provided transparent information for citizens and deterred fraud; competitive contracting for goods and services was also introduced. In the process, citizen awareness, participation, and commitment to the future of Atyrau were increased.

USAID's local government programs worked to support the devolution of resources and responsibilities for social service programs from the national government to local-level administrations. The program strategy anticipated the shifts of major capital assets, such as housing, to city authorities and residents, following President Nazarbayev's announcement that fiscal and administrative decentralization from the center to local governments would begin in 1998. At the request from the President's office, USAID assisted in developing local government policy.

Starting in 1998, USAID supported local government programs in the Atyrau, Pavlodar, Almaty, and Kostanai oblasts. The training programs provided advanced skills to city administrators, who then introduced new practices - particularly for citizen participation, - in cities such as



Over 1,000 students have a better understanding of how their government works thanks to the USAID and IFES Student Local Government Days, organized from 2001-2006. The program paired students with their local officials for a day of work at city councils. "This Student Local Government Day opened our eyes, and we are more aware of state policy," says Ruslan Tleysov, a tenth grade student at School #16 in Pavlodar. "This day definitely will have an impact on how students choose their future career paths."

Photo: IFES

Lisavosk and Shymkent. The innovative local government practices included sealed-bid contracting for services; the result in one city was a 27% cost savings. Public hearings were adopted by Pavlodar and Aktau to enable citizen participation in the budget process. The positive economic and social results of full cost recovery for utilities and phasing out of housing and utility subsidies were demonstrated. USAID-supported training was also highly successful in providing certification for financial officers and elected council members. In 2001 alone, two thousand local council deputies were trained. Many deputies reported that the training provided them with a clearer understanding of their roles as elected leaders. Adoption of program-based budgeting had benefits for the health finance and fiscal reform.

By 2001, more than 60% of residents in the cities involved in the program reported their increased satisfaction with services. Among the 2,000 local government officials trained, 80% reported that they initiated new citizen participation efforts after training. Participatory practices such as open hearings, task forces, commissions, and economic development boards were being used in 17 cities and a cadre of 219 trainers was developed. The Anti-Monopoly Committee adopted public hearings as a prerequisite for any tariff increase at the local level. From 2003-2004, USAID assisted about 20 small and medium sized cities in the Almaty and Kostanai oblasts in developing strategic plans with community involvement. USAID's work in this area ended in 2004.

Increasing Effectiveness of Judges

USAID's assistance to the Kazakhstan's judicial sector began in 1993, with study opportunities and technical advice on comparative and commercial law for

Kazakh judges. In 1994, with USAID's support, a judicial code of ethics was adopted by the Union of Judges of Kazakhstan. USAID also facilitated the establishment of the first independent bar association in southern Kazakhstan in 1997 and a Women Lawyer's Association in Almaty three years later. To support court administration, USAID helped to initiate the Judicial Training Institute in 2001.

In 2004, new programs were developed in cooperation with the Supreme Court. As a first step, USAID trained 400 judges and administrators in court administration and management. To improve transparency within the justice system, in 2005 USAID helped to install equipment for Kazakhstan's first video court recording project at the Bostandyk District Court in Almaty. This equipment allows for the production of a verbatim court transcript, which is important both for documenting court proceedings as well as preparing for appeals. As a result, the rates of appeals for the recorded court cases declined significantly, indicating the increased trust in the fairness of the process by the parties of the tried cases. More than 90% of court personnel who used the equipment were in favor of a country-wide expansion of this technology. Based on the success of the program, USAID and the Supreme Court launched an initiative in 2007 to expand the video court recording project nationwide. The expansion includes a considerable cost-share from the Supreme Court toward the purchase of video recording systems.

In 2006, over 120 current and future judges received training on the rights of journalists and the media under Kazakh and international law. To facilitate continued dialogue between the country's judiciary and the media, USAID helped to create the Bench-Media Forum of Kazakhstan. Through trainings and study tours for the representatives of the Kazakh



Inessa Kuanova has served as a judge in the North-Kazakhstan Oblast since 1998. She still remembers the apprenticeship she had received. But today, a different model is applied. Started with USAID support, the new judicial mentorship program aims to give new judges a genuine mentor during the early years on the bench. After a USAID training, Judge Kuanova established a mentorship program in her oblast and became a mentor herself. "My protégé became more confident, he feels comfortable communicating with elder colleagues, and is proud of decisions he makes in the courtroom," says judge Kuanova.

Photo: Chemonics

judiciary as well as a public information campaign, USAID assisted introduction of the jury trials in 2007. USAID also helped the judiciary system to develop and introduce modern judicial mentorship programs. By 2008, the number of Kazakhstan's oblasts that have judicial mentorship programs increased from two to ten.

To support preparation of the future judges and lawyers, USAID provided training on instructional methodologies to university law professors and supported courses on legal writing and legal ethics for students, as well as moot court competitions and mock trials at various universities around the country. At several universities, such as the Western Kazakhstan State University Law School, USAID helped to operate legal clinics. In these clinics, law students, under the supervision of their professors, provided advice to small businesses and other clients on legal issues, including tax law. USAID provided the university law students with training on tax law and how to conduct client consultations in a clinic setting. Law school clinics gave law students an opportunity to develop practical skills to a degree that cannot be achieved in the classroom. They also provided vulnerable populations in the community with valuable legal services to which they would not otherwise have had access.

Conflict Mitigation in Communities

To reduce social disparities and increase economic opportunities in rural areas, USAID supported conflict prevention programs in communities in Southern Kazakhstan, Zhambul, and Almaty oblasts in 2003 and 2004. Within these communities, relationships were developed among business, health, civic, education, religious, and micro-credit partners. With assistance from USAID and the financial and political support of local governments or other local organizations, more than 20 communities repaired health clinics, water systems and schools. Communities contributed on average 37% of overall project costs. In total, more than 50 projects were completed and over 2,500 long and short-term jobs were created. These projects benefited more than 400,000 people.

Preventing Exploitation of Vulnerable People

USAID's support for anti-trafficking programs in Kazakhstan dates back to 2001. USAID assisted the national government in convening high-level meetings and roundtables among national

leaders to discuss the trafficking problem and identify programs that could address the issues. Activities included raising awareness of the dangerous conditions and treatment faced by trafficked migrants, and development of anti-trafficking programming with a focus on information campaigns and direct assistance to victims.

To increase the public's understanding of trafficking risks, USAID helped to conduct a nationwide information campaign that included the dissemination of leaflets, posters, articles and press releases, development and broadcasting of educational movies. USAID also supported operation of hotlines and information training for NGOs and government officials. These efforts created a high degree of awareness among the population about trafficking. Based on a nationwide survey conducted in fall 2006, 97% of respondents were aware of the risks of trafficking, compared to 89% in 2005.

USAID also focused on technical support and capacity building for crisis centers, hotlines, and shelters, including preventative and rehabilitative vocational training for vulnerable groups. Activities included support to an NGO network; establishment of consultation centers for



Through funding for Eurasia Foundation of Central Asia, USAID helps thousands of seasonal migrants working in Kazakhstan to improve their legal status and chances of getting paid for their labor. "It was a revelation for me to see the scale of the construction, how fast our country is growing," says a volunteer from one of those NGOs. "But workers should not be exploited."

Photo: Eurasia Foundation of Central Asia

labor migrants; medical, psychological, and legal assistance to victims of trafficking; and training for shelter staff, educators, health care providers, lawyers, and religious leaders.

Local Vehicle to Sponsor Small Initiatives

One of the ways that USAID has been supporting local social projects and reforms is through funding to the Eurasia Foundation. From 1995, when Eurasia Foundation started working in Kazakhstan, USAID has provided over \$8 million to fund its small grants that facilitate development of civil society, public administration, and private enterprise. Over the past decade, Eurasia Foundation developed its capacity to attract local funding, and now a number of programs are being sponsored not only by USAID, but by other local and international organizations. Programs that Eurasia Foundation sponsors with support from USAID include economic education, small business credit, support of independent mass media, and NGO start-up grants. Most recently, Eurasia Foundation has focused on initiatives facilitating cross-border trade, ecotourism, development of national handicrafts, and labor migration.



The Saule Community in Shymkent finally have potable water in their homes, thanks to USAID assistance in 2004. “I have lived here for 18 years, and we never had water in our homes,” says Saule’s Imam Tair Jusupov. “We attempted to do it ourselves before, but lacked resources. It was not until USAID came to Saule that any progress was made.” Over 67 kilometers of pipe were installed to serve some 6,000 residents in more than 850 houses. USAID provided half of the funding for the 18 million Tenge (\$123,000) project, while the local administration and the residents contributed the remaining amount.

Photo: USAID

Support to IMPROVING HEALTH STATUS

Health System Reform

USAID was the first and primary donor to assist the Government of Kazakhstan with the dual challenge of reforming the health system to make it financially viable and to ensure broad access to quality health care for the country's population. Starting in 1993, USAID's advisors worked at the policy level to promote health reform (finance reform and the introduction of evidence-based medicine), as well as helped to build capacity for quality improvement and evidence-based medical practice at the facility level.

USAID advocated for a shift in resources from a costly network of specialized institutions and hospitals to a more cost-effective primary health care system. With USAID's assistance, the Government of Kazakhstan created the legal and regulatory basis necessary to support health sector reform and to develop, test, and roll out health reform models centered on primary health care. Input was provided into numerous health sector laws and regulations, especially those governing health financing and the allocation of health care funds.

Primary Health Care

Efforts to restructure the primary health care delivery system in Kazakhstan have focused on creating a network of primary health care practices that are financially, administratively, and sometimes physically independent from higher level facilities.

With USAID's support, urban primary health care practices were developed in Zhezkazgan, Satpaev, and Semey cities, while a model of rural primary health care was tested in Semipalatinsk Oblast. USAID provided equipment and trained general or family practitioners as well as managers at new primary health care practices. In 1998, the restructuring of the primary health care delivery system was incorporated by the government into national policy, and by 2000, the populations of Zhezkazgan and Semey cities were fully covered by primary health care practices. With USAID's support, the models were rolled out to East Kazakhstan and Karaganda oblasts.

From 1999-2004 USAID helped the Astana City Health Administration to improve primary health care in the city by fostering the development of prevention-oriented, family-based primary care with integrated delivery of social services. To demonstrate the community-oriented primary health care model, USAID supported the opening of the Demeu Family Medicine Center in 2000. The center conducted extensive community outreach activities and social work, including patient clubs for health promotion and cultural activities.

Due to the success of this center and improvements of health indicators among the population, the government decided to replicate this model throughout the country. USAID provided support to open family medicine centers in four new sites: one in Uralsk, two in Semey, and one in Aktobe. Each of these sites developed support clubs for risk groups that were identified through an assessment of



USAID provided significant support to clinical strengthening, including the integration of formerly specialized care into the primary health care scope of services, and grants to nongovernmental primary health care associations to purchase equipment. In collaboration with the Kazakh Postgraduate Institute of Physicians, USAID trained hundreds of physicians and nurses in family medicine. Medical specialists also received training in specialty areas that are important for family physicians, such as cardiology and gynecology, pediatrics, acute respiratory infections, control of diarrhea diseases, and sexually transmitted infections.

Photo: Abt Associates

their communities. The effectiveness of the model has been demonstrated by reductions in the number of ambulance calls, visits to specialists, and hospitalizations.

By 2006, USAID was supporting eight demonstration areas for primary health care covering 39% of the population. People are increasingly relying on primary health care practices for outpatient care, with primary health care visits comprising 50% of total outpatient visits. USAID supported improvements in primary health care practices for Safe Motherhood, childhood illness, proper use of antibiotics, and management of chronic illness, including hypertension.

USAID also supported policy dialogue that resulted in the Kazakhstan State Health Care Development Program, approved by the President in September 2004. This program solidified Kazakhstan's approach to health systems strengthening and integrated separate activities into the framework of a national program. By program's end, systemic reform should improve the quality and availability of primary health care, as well as make resource use more efficient.

Delivery of Evidence-Based Services: Family Medicine

In Kazakhstan, one of the legacies of the Soviet health care system is a strong emphasis on specialized care—which often includes long hospitalizations, many specialized tests, and other interventions that are not necessarily the most effective, efficient, or safest treatment for the patient. USAID has been working to change this situation by introducing evidence-based medicine into medical institutions and encouraging the formation of evidence-based clinical practice guidelines. To provide an affordable alternative to Soviet-style health care, USAID introduced the family group practice structure. Family medicine allows one doctor to see an entire family for a variety of common conditions at a primary health care facility.

Starting from 1994, through its primary health care demonstration programs in Zhezkazgan and Semipalatinsk oblasts, USAID assisted in restructuring clinics to integrate maternal and child care with reproductive health, management of infectious diseases, management of chronic disease, and disease prevention. To support reorganization of the clinics, USAID provided some essential medical

equipment. Between 1994 and 1997, the number of such practices with legal status to operate as independent health care providers in Zhezkazgan Oblast increased from zero to 56. In 1998, a public information campaign resulted in more than 75% of the population of the city of Zhezkazgan enrolling in the family group practice of their choice. By 2001, there were more than 600 family medicine practices in the pilot areas.

USAID advised the government in drafting national primary health care enrollment rules and other essential legislative changes, and in 2003, helped to initiate a new 2-year family medicine residency course at the Kazakh Post-Graduate Institute of Physicians. In cooperation with the institute, USAID retrained thousands of family or general practice physicians by using the best available evidence-based medical protocols. USAID continues to support the institutionalization of family medicine through the Kazakhstan Association of Family Practitioners, which publicizes the benefits of evidence-based medicine throughout the country, both to policy makers and the public. The association also facilitates faculty development and continuing medical education through computer-based distance learning programs.

Demeu Center in Family Medicine provides a broad range of clinical and social support services, including education and outreach programs for young people, disabled, and the elderly. The center was established through an USAID program linking the Astana City Health Administration with Mercy Health System in Pittsburgh, Pennsylvania. "Through this partnership I've learned to explore more than just the physical symptoms a patient presents," says director of the center Dr. Roza Abzalova. "I was amazed to see the changes that resulted from this new approach."

Photo: AIHA



Managing Arterial Hypertension

Hypertension is a significant contributor to cardiovascular disease, which is a major killer in Kazakhstan. Estimated at 536 per 100,000 population, annual mortality in Kazakhstan related to cardiovascular disease far outweighs other leading causes of death like infectious diseases and cancer. Since 2005, USAID helps the Government of Kazakhstan to introduce evidenced based clinical guidelines for the screening and management of arterial hypertension. With USAID's support, these guidelines were piloted at the family group practices in Karaganda. As a result, within a year from the beginning of the pilot, diagnoses of hypertension in pilot facilities quadrupled. Subsequently, a hypertension training module, developed with USAID's assistance, was integrated into the primary health care training curricula at the Almaty Post Graduate Institute for Physicians and Post Graduate Family Medicine Departments of Karaganda and Semey State Medical Academies.

Infant and Child Health

USAID has been helping local counterparts to incorporate evidence-

based strategies for recognizing and combating the conditions that most commonly lead to childhood deaths since the early 1990s. At that time, WHO and UNICEF introduced small-scale programs in Kazakhstan to educate health workers on the treatment of diarrheal diseases and on managing acute respiratory infections in children. USAID was an advocate for these precursors to the international best practice known as Integrated Management of Childhood Illnesses and, in 1996, helped to introduce a child health program in Zhambul to reduce morbidity and mortality due to respiratory infections and diarrheal disease.

To facilitate vaccine-preventable diseases among infants, USAID provided vaccine supplies, cold chain equipment, and introduction of the new immunization schedule consistent with World Health Organization (WHO) recommendations. With USAID's assistance, the reported diphtheria cases decreased by 60%, from 1106 cases to 455 from 1995-1996. USAID-supported national immunization days for polio eradication in 1996 achieved 95% coverage; there were no polio cases registered that year. Also with assistance from USAID and the U.S. Centers for Disease Prevention and Control (CDC), the Government of Kazakhstan introduced immunizations for hepatitis B for newborns in 1998. By 2000 there were no hepatitis-B

cases among children from age 1 to 6 compared to 27-87 cases per 100,000 of population in 1990.

USAID and CDC also helped to establish case-based surveillance for polio, diphtheria, tuberculosis, and hepatitis in 1996 and 1997, using computerized oblast-level reporting. The surveillance system became operational throughout the country in 2001, helping to monitor and treat death-threatening childhood diseases more effectively.

Kazakhstan became one of the first countries of the former Soviet Union to begin implementing the Integrated Management of Childhood Illnesses program. In 1998 the Ministry of Health requested USAID to assist with an Integrated Management of Childhood Illnesses pilot in the city of Semey. Kazakhstan's program focused on treating diarrhea and acute respiratory infections (including pneumonia) with an additional emphasis on nutrition, as well as the overall health of the child. In 1999, a neonatal resuscitation program was developed with USAID's support. Within the first year, over 100 neonatologists received training, and the program passed its re-certification and evaluation with high marks. The following year USAID launched a new round of pilots focusing on eight



Proskovya Melihova has struggled with arterial hypertension for years. Finally, she decided to attend a training on prevention and treatment of high blood pressure, offered by a USAID-supported awareness campaign in Ust' Kamenogorsk. After the training, Proskovya said, "Now I know that there are many effective ways to deal with arterial hypertension. I regularly check my blood pressure, eat healthy food, and feel healthy." According to the health department, six months after the campaign, the number of emergency calls from patients with heart disease had decreased by 30%.

Photo: Abt Associates

rayons (rural districts) in Karaganda and East Kazakhstan oblasts and eventually assumed responsibility for a pilot in Almaty Oblast, which had been started by the World Bank.

Mortality figures for children under age five in the pilot areas of Karaganda Oblast, where 82% of primary care doctors have been trained in Integrated Management of Childhood Illnesses, in 2003 showed declines in deaths related to both diarrhea and acute respiratory infections. From 1997-2003, the number of infants who die each year from diarrhea-related problems in the oblast has dropped from 68 deaths a year to 16. The number of infant deaths caused by pneumonia fell from 42 in 1997 to 25 in 2003. More children were treated at the primary health care level, rather than in the hospital, in accordance with Integrated Management of Childhood Illnesses protocols. Assistance also improved outcomes for children with leukemia, asthma, and other respiratory diseases.

In 2004 and 2005, USAID, partnered with ExxonMobil to introduce the Integrated Management of Childhood Illnesses strategy in Astana. In cooperation with the Kazakhstan Association of Family Physicians and the local government, USAID and ExxonMobil trained doctors from Astana's medical facilities, as well as worked on involving the population and educating parents.

From 2000-2004, USAID supported a health education campaign, designed to teach parents and other community members healthy strategies for caring for children and infants. Initiated in Karaganda and Zhezkazgan cities, the campaign reached millions of people across the country. Pre- and post-campaign surveys showed approximately 13% more respondents reporting that they would feed their child more after an

episode of diarrhea and about 10% fewer respondents reporting that they would cease intake of food during and after an episode of diarrhea. Almost all of the respondents properly identified symptoms that need immediate attention from a physician when a child is suffering from an acute respiratory infection.

With USAID's support, in 2004 the Government developed a new outpatient drug benefit package, under which the drugs required for Integrated Management of Childhood Illnesses are provided for free. USAID helped to train nearly 1,600 physicians in care for children with diarrhea and acute respiratory infection through 2005, and assisted with health education and work on policy. Gradually, a number of Integrated Management of Childhood Illnesses' key interventions have become common practice in Kazakhstan.

USAID helped Kazakhstan to adopt, for national use, the World Health Organization (WHO)-recommended Live Birth Criteria in 2008, paving the way for reductions in infant morbidity and mortality. USAID, through CDC, has been assisting with introduction of these criteria since 2002. USAID helped develop and implement a pilot model in ten maternity houses in Almaty City and Oblast and assisted in revising some regulatory and reporting documents. To date, as a result of pilot activities to introduce the new criteria, about 200 infants have lived who otherwise would have been abandoned as dead.

Reproductive Health Services and Fewer Abortions

Because early reproductive health assessments in Central Asia revealed high use of abortion as a means of family planning and low use of modern



With USAID's support Kazakhstan adopted an international standard known as Live Birth Criteria, which recognize as births all newborns weighing 500 grams and with 22 weeks of gestation. In January 2008, the Government of Kazakhstan began nationwide registration of newborns according to these live birth criteria, recommended by the World Health Organization (WHO). This will enable Kazakhstan to improve medical interventions to reduce infant mortality.

Photo: Abt Associates

contraception, in 1993 USAID began helping to expand the quality and sustainability of reproductive health services. This work included technical assistance and support for training, policy, institutional development, and patient education. USAID cooperated with the private sector to enhance reproductive health services, including development of a commercial market for contraceptives. By 1997, high quality yet affordable contraceptives were available commercially in 50% of Kazakhstan's pharmacies. Clinicians, including physicians, nurses, midwives, and feldshers received training in modern contraceptive technology and counseling. Surveys from 1988-1999 show a dramatic increase in contraceptive use and a concomitant drop in the rate of induced abortion. As part of these efforts, in 1998 USAID introduced a hotline for accurate and confidential reproductive health information. By 2004, over 50,000 Kazakhstan's citizens, primarily women and adolescents, were calling the Red Apple Hotline each year. The hotline is now managed by the Business Women's Association of Kazakhstan, which has leveraged funding to almost double the number of hotline sites in eleven cities around the country.

In 1996 a comprehensive outpatient Women's Wellness Center was opened

in Almaty with USAID's support, through the partnership between the Kazakh Research Institute of Pediatrics, the Almaty City Health Administration, the Almaty City Perinatal Center, and healthcare organizations from Tuscon, Arizona. The center operates as part of one of the city's main reproductive health centers and offers educational programs for its patients, including lectures on family planning, cervical and breast cancer prevention, and infertility. The prenatal program at the center became so popular that USAID helped to open a second center at a new facility in Almaty. Subsequently, it has been replicated by all the women's consultation centers in the city. The center also became the model training site on patient and community education for nursing students from the Almaty Medical College.

USAID also works at the primary and hospital levels to expand access to voluntary family planning and modern contraceptive methods, along with updating medical practice related to pregnancy, birth, and newborn care. This includes promoting the use of primary health care doctors for pre-natal visits, reducing the use of invasive procedures during labor, promoting partner-assisted births, and emphasizing the importance of exclusive breastfeeding. In 2006, USAID introduced a training course in

family planning counseling for primary health care and hospital providers that work with post-partum and post-abortion women in Zhezkazgan, Satpaev, Almaty, and Astana. The counseling was linked with provision of contraceptives provided at no cost by the Organon Pharmaceutical Company, valued at over \$600,000. An estimated 25,000 economically disadvantaged women received access to free contraceptives from 2006-2007.

Data monitored in two of these sites demonstrate more than a 50% decrease in the ratio of abortions to deliveries: in Karaganda from 2000-2006, the number of abortions dropped from 102 to 49 for each 100 deliveries; while in Semey the ratio decreased from 55 to 23 abortions for each 100 deliveries from 2004-2006.

Better Perinatal Care

Perinatal care in Kazakhstan has become highly medicalized, and outdated procedures were common. With USAID's assistance, the Perinatal Center adopted a number of key policy changes, including rooming-in for infants with mothers and the development of a family-centered birth program. Perinatal Center obstetricians learned an improved technique in cesarean section, which reduces surgery



Since 2002, USAID is providing interpersonal communication trainings for Kazakhstan's doctors and nurses. Such trainings teach how to create a more positive atmosphere during the interactions with patients, and are beneficial both to the doctors and their patients. One of the training participants says: "Before, I didn't always listen to the patient until the end. I sometimes interrupted. Now I watch myself... I take a chair, I sit down, I put my hand on his, and I have a real conversation with my patient..."

Photo: AED

time and results in less blood loss and fewer infections. Revised practice was established as the standard in the Almaty City maternity hospitals.

A 2001 USAID-supported assessment revealed that health care providers viewed 85-90% of pregnancies as “at-risk”. To demonstrate the benefits for reduced medical interventions and a more woman- and family-friendly approach, in 2002, USAID and the World Health Organization (WHO) launched a pilot project in Zhezkazgan. Training courses were conducted for obstetricians-gynecologists and midwives in hospital maternity units and family group practices, as well as neonatologists, neonatal nurses, and midwives, in the new approaches. Within the first year of the project, participant health care facilities saw a decline in unnecessary prenatal hospitalizations, Caesarian deliveries, unnecessary ultrasound use, the average length of stay for deliveries, as well as the average length of hospital stay for conditions that did not require hospitalization. Due to the pilot’s success in improving health care and simultaneously reducing costs, the Government of Kazakhstan adopted a new Perinatal Care Improvement Program, incorporating the new approaches as national policy and citing the USAID-supported sites as models. The program then was rolled out in Karaganda City, where a 2004 survey showed a significant reduction in surgical procedures and raised satisfaction with care from the mothers.

Since 2006 USAID in partnership with ExxonMobil, the Kazakhstan Association of Family Physicians, and the local government, has been working to replicate the Perinatal Care program in Astana.

The proportion of expectant mothers attending pre-birth classes in USAID pilot sites increased from less than 2%

in 2006 to 21% in 2007; the number of women giving birth with a partner present increased by 18%. The project produced impressive results, and is now being replicated by the Ministry of Health in additional oblasts.

Devolution of Financial Management to Oblasts

USAID-supported pilot work in Zhezkazgan Oblast (later integrated with Karaganda Oblast) and Semipalatinsk Oblast (currently part of East Kazakhstan Oblast) provided inputs for creation of the legal basis for a new health financing system. Financial reforms tested in Karaganda Oblast included pooling of funds at the oblast level, establishing the Oblast Health Department as a single payer, and improving health purchasing through new provider payment systems. USAID helped to create the national framework in Kazakhstan for the roll-out of health financing reforms. Based on USAID’s assistance in pilot oblasts, a case-based hospital payment system was introduced.

USAID’s advisors, working at the national and pilot oblast levels, provided guidance on instituting new, incentive-based payment methods for hospitals and outpatient facilities. Training in cost accounting and internal quality assurance was provided both to state agencies and health facilities. By 1997 a case-based hospital payment system resulted in a 20% reduction in the length of hospital stays and produced savings to the local health budget which could be directed to primary health care facilities for preventive care. A new cost-accounting data analysis system, introduced by USAID’s advisors, resulted in payment to health facilities on a per-case rather than a per-bed basis, an innovation that improved the quality of care and resulted in budget savings at the national level. The importance of primary



Thirty-two year old Gulshyan delivered her second child in 2003 at the Zhezkazgan maternity hospital, a participant of USAID’s Safe Motherhood pilot. Her experience was completely different from her first delivery in 1996. “I was in the hospital twice during my pregnancy and noticed changes... The midwife helped me throughout the labor, and I felt the support of my husband who was holding my hand. They put my baby on my stomach right after he was born, and after 30 minutes, the midwife came and showed me how to breastfeed my son.”

Photo: Abt Associates

health care continued to grow; provider payment systems now operate in 32% of the primary health care practices and 56% of Kazakhstan's hospitals.

In 2003, at the request of the Almaty City Health Department, USAID helped the city to implement a population-based per capita payment system for primary health care. USAID set out to develop a population database to a) ensure the correct registration of patients in outpatient facilities, which has a serious impact on the city's health budget; and b) provide statistical, clinical, and financial data for improved decision-making by the Health Department and health facilities. USAID procured equipment for the project, developed the database, trained staff, and helped to gather data in two pilot facilities. As a result, over 60,000 individuals became registered and their data was entered into the population database, thus creating a model for city-wide replication.

More recently, national legislation was enacted that will remove many of the barriers to expanding and refining new provider payment systems. In 2004, following the President's decree on the State Program for Health Care and Development, national legislation mandated pooling of health funds at the oblast level. USAID has supported

preparation to implement the new health financing system nationwide.

Reform efforts have culminated in a \$300 million Health Technology Transfer Project approved by the World Bank and the Government of Kazakhstan in early 2008. With 60% of funding from the Government of Kazakhstan and 40% from the World Bank, the project will continue key health sector reforms by introducing international standards and building long-term institutional capacity within the Ministry of Health and related healthcare institutions. USAID contributed to the design of the project through policy dialogue with Kazakh partners, background reports, and the design and development of project implementation plans.

Rational Pharmaceutical Management

In 1995 USAID's advice led to the government's decision to break up the centralized pharmaceutical monopoly and allow private pharmacies. With USAID's support, 90% of Kazakhstan's pharmacies were transferred to private ownership by 1997. The immediate result was lower prices (6% lower than those sold through state pharmacies) and increased availability of pharmaceuticals.

USAID helped to introduce a national drug list that guides procurement of the most effective and least costly pharmaceuticals in compliance with WHO standards. Standard bidding documents and drug specifications compliant with internationally accepted procurement standards were developed for the National Tuberculosis Program. As a result of suggestions made to improve the mix of tuberculosis drugs being procured, 83% of the drugs procured through the 1999 tuberculosis drug tender were DOTS (Directly Observed Treatment, Short-course)-compliant, up from 26% in 1998, and directly supported the implementation of the National Tuberculosis Program. A drug information system was developed for more effective management of drug supplies.

In 2001, USAID helped to open Kazakhstan's first Drug Information Center in Karaganda. USAID provided financing and equipment, training, and extensive technical assistance. By 2003, the center had provided information to over 1,500 requests from doctors, pharmacists, and patients. This work led to a significant decrease in the prescription of antibiotics in Karaganda Oblast, which are often over-prescribed. In 2003, another Drug Information Center was opened in Almaty. In cooperation with these centers, USAID promoted correct drug use through



"The Integrated Management of Childhood Illnesses (IMCI) strategy gave us a second wind for working to decrease morbidity and mortality among children," wrote participants of the USAID-supported IMCI training in Karaganda. During training, health workers learn to assess the severity of dehydration, and, if the child is dehydrated, to immediately administer fluids by mouth—a simple, yet lifesaving intervention. If the dehydration is not severe, mothers then can be taught to treat the child at home. Antibiotics are given only in cases where infectious diseases are suspected.

Photo: Abt Associates

messages in campaigns, family doctor training, and evidence-based treatment guidelines.

Controlling the Tuberculosis

In response to a tuberculosis (TB) epidemic in Central Asia, USAID introduced WHO's strategy DOTS for TB treatment and epidemic control in four pilots of Kazakhstan in 1997. DOTS includes free medication, reliable diagnostics, and specialist supervision throughout the treatment course. Due to the demonstrated success of the new method, the Government of Kazakhstan decreed national implementation of DOTS in 1998 and asked USAID to assist with this effort. Through its contractors and grantees, such as CDC and Project HOPE, USAID brought in equipment and reagents and trained medical staff to diagnose and treat TB. By 2002, the DOTS program led to a 57% increase in diagnosing TB (case notification rates) since 1995.

While initially, USAID was working with 23 oblast-level TB centers, by 2004, assistance shifted to two pilot areas –the Almaty Oblast TB center in Taldy Korgan and the Karaganda Oblast penitentiary facility, where special attention was given to enrolling ex-prisoners in civilian treatment programs, with significant success. Assistance was also provided to the National TB Technical Working Group, established with USAID's support in 2005 to determine national priorities and facilitate collaboration between the government, donors, and nongovernmental organizations involved in TB control in Kazakhstan.

USAID and its partner organizations have opened eight TB training centers to provide training on a continuous basis and have taught more than 6,000 Kazakh TB

specialists, primary health care doctors, laboratory specialists, and nurses to apply DOTS. USAID helped in development of a successful application for a \$9.8 million TB grant from the Global Fund to Fight AIDS, Tuberculosis, and Malaria in 2006. Additionally, USAID supported creation of a national Electronic Surveillance Case-Based Management System to track TB cases. DOTS training and monitoring, together with a sufficient quantity of TB medicine purchased by the Government of Kazakhstan for free treatment of TB patients, has resulted in more than a 50% decrease in the death rate from TB by 2007 (from 38.4 deaths per 100,000 in 1998 to 18.2). It was estimated that the DOTS strategy saved 28,000 lives between 1998 and 2008. Kazakhstan's commitment to an uninterrupted drug supply was an important factor in this progress.

In 2003 USAID helped to set up a comprehensive program for managing Multi-Drug Resistant TB (MDR-TB) in Almaty, including a modern TB laboratory, a dispensary operating with international techniques, and an integrated strategy for MDR-TB case management. Through 2007, some 800 health care specialists were trained on various TB issues, city laboratory's capacity to diagnose MDR-TB has improved, hundreds of patients with drug resistant TB received better treatment, and a set of clinical protocols on management of drug-resistant TB was developed, adopted at city level, and recommended for the national guidelines for MDR TB management. In 2008, USAID also began supporting a pilot that focused on the co-infection of TB and HIV/AIDS.

Prevention, Control, and Treatment of HIV/AIDS

USAID began its Central Asian program to combat the spread of HIV/AIDS in 2001, with a strategy based on prevention and



Adil was only seven months old when he was diagnosed with tuberculosis (TB). When he was admitted to the Almaty Oblast TB Dispensary in December 2005, he weighed only 6 kg, and his family feared for the boy's life. Thanks to an effective treatment strategy and high quality services provided by the doctor who had been trained by USAID, this little boy has successfully recovered from the disease that, together with hepatitis, accounts for 5 percent of mortality in Kazakhstan.

Photo: Project HOPE

control of the disease within high risk groups: injecting drug users, sex workers, and prisoners. With UNICEF and UNAIDS, USAID supported a regional Conference on Prevention of HIV/AIDS and Sexually Transmitted Infections. USAID's work in this area is funded under the U.S. President's Emergency Plan for AIDS Relief (PEPFAR). This program provides funding for the Global Fund to fight HIV/AIDS, TB, and Malaria, as well as USAID's HIV/AIDS assistance worldwide.

To facilitate the design of effective HIV prevention programs among the high risk groups, in 2002 USAID supported a large scale study of 1600 injecting drug users and sex workers in Karaganda and Temirtau, the epicenter of the HIV epidemic. The study assessed behavioral risk factors, as well as prevalence of HIV, hepatitis, and sexually transmitted infections among the surveyed drug users. The same year, USAID began an extensive program that focused on these high-risk groups. With USAID's support, 12 nongovernmental organizations conducted peer and outreach education projects to injecting drug users and a condom social marketing effort was launched with high-level publicity promoting healthy lifestyles. More than 1,500,000 condoms have been sold at low cost to the most-at-risk groups. In Karaganda and Almaty high schools, peer educators and teachers

reached more than 29,000 students with knowledge about HIV/AIDS and the risks involved with drug use. Six educational modules relevant to health needs of the young people were developed with USAID's support and introduced at the State Medical Academy in Astana and the West Kazakhstan Medical Academy in Aktobe. In 2007, a training program on HIV prevention prepared with USAID's support was approved by the Almaty City Council for use at the city's general schools.

In 2004, a program began to prevent mother-to-child transmission of HIV/AIDS in the pilot sites of Pavlodar and Karaganda oblasts, with a regional training center and satellite clinic in Temirtau City, Karaganda Oblast. USAID assisted Kazakhstan with an application for a free one-year supply of medicines to prevent vertical transmission of HIV from mother to child; by 2006, transmission was cut from 10% to 5% in Pavlodar and 11% to 4% in Karaganda Oblast. USAID also helps to improve stewardship of national HIV control efforts, the quality of HIV-related services, as well as management of HIV and tuberculosis co-infection and antiretroviral therapy.

To facilitate gathering and analyzing data on HIV prevalence and behavioral factors associated with the HIV epidemic

in Kazakhstan, USAID, through CDC, helped the Government of Kazakhstan to establish a more efficient surveillance system in 2003. Four sentinel surveillance sites were set up in Karaganda, Pavlodar, Shymkent, and Uralsk, where HIV prevalence is highest. USAID provided equipment and trained HIV/AIDS surveillance experts. Such assistance enabled Kazakhstan to produce valid, scientifically-sound surveillance data on the status of the HIV/AIDS epidemic so that policy makers can rapidly analyze trends and make informed decisions. In 2007, the Government of Kazakhstan expanded USAID's sentinel sites to a total of 10 oblasts, plus Almaty and Astana.

USAID technical assistance helped Kazakhstan win over \$35 million in grants to fund HIV/AIDS activities from the Global Fund to fight HIV/AIDS, TB, and Malaria.

Pandemic Preparedness

USAID is helping the Government of Kazakhstan to lay the groundwork for an effective prevention and response strategy to outbreaks of avian influenza in the country. In response to the only documented outbreak of avian influenza in Central Asia, CDC worked with Kazakhstan's epidemiologists



Egor dropped out of secondary school at fifteen and tried to study at four different vocational schools. He used to spend his days hanging around with friends at Rabochii Poselok, drinking beer, and smoking marihuana. When he first started coming to the USAID-supported Youth Power Center in Almaty's Zhetisu District, he only watched the activities. Then one day he offered to teach break-dance and, in exchange for the opportunity, agreed to attend drug addiction prevention classes. Soon Egor started bringing his friends to the center and became one of the most active volunteers.

Photo: CAPACITY

enrolled in the USAID-supported Applied Epidemiology Training Program to identify the disease among wild birds in Mangystau Oblast. USAID and the Ministry of Agriculture designed two projects to assist with national preparedness, focusing on veterinary aspects, including farm surveillance on the oblast level, communication strategies, and clinical preparedness in the event of human cases. Though 2007, some 600 veterinary and laboratory specialists from all 14 oblasts had been trained in avian influenza surveillance, bio-security, and reporting with USAID's support. USAID also disseminated public information materials to 8,000 households in 272 communities. The latter initiative was replicated by the Government of Kazakhstan countrywide.

Medical Education

To enhance the country's medical education capacity, USAID's Medical Partnerships program created partnerships between Kazakh and American medical institutions. Partners worked on curriculum design and implementation, faculty pedagogical skills, research capacity, clinical skills training, standardized testing of knowledge and clinical skills, and computer literacy among faculty and students. USAID-sponsored study

tours resulted in recommendations for the concept on reforming the medical education in Kazakhstan that was introduced for the nationwide implementation in 2007 to align the country's medical education system with international standards.

The Kazakhstan School of Public Health in Almaty received assistance to improve the training of Kazakhstan's future health managers. The USAID-supported partnership between Almaty and Richmond, Virginia health organizations improved the content of existing short courses as well as created new courses, including a certificate program in management for practicing healthcare managers, and a distance education program. Through 2007 over 9,000 healthcare professionals have participated in management courses at the school. With USAID's support, the school also developed a 26-course Master of Health Administration/Master of Public Health program that has already trained over 80 graduate students. A curriculum for a Ph.D. and Master of Public Health Program in Health Services Research was developed and approved by the Ministry of Health.

With initial support from USAID, the Kazakhstan School of Public Health has

actively engaged in providing research services for domestic and international clients and contracted with the Ministry of Health to provide analysis on healthcare policy. As a result of another USAID-supported partnership, a lasting research collaboration developed between Semey Medical Academy and Baylor College of Medicine, focusing on the prevalence of cancer in Semey. The Central Asian Health Services Research Journal - that publishes medical research papers in the region - was officially registered in Kazakhstan and endorsed by all Central Asian Republics.

USAID-supported medical partnerships helped to establish and equip the Almaty Infection Control Training Center that opened at the Republican Sanitary Epidemiological Station in 2001. The center provided short courses on prevention of nosocomial infections, and developed and introduced standardized protocols for hospital surveillance and infection prevention practices. Medical partnerships also introduced a two-week course on the epidemiology and prevention of nosocomial infections at the Almaty Postgraduate Institute. USAID also facilitated preparation of a new policy on infection control that was approved by the Ministry of Health in 1999 and upholds modern infection control concepts and provisions. The introduction of the these policies and better infection control

In 2002 an outbreak of a water-borne disease hit the city of Temirtau, Karaganda Oblast. Dr. Lyudmila Alikova, head of the epidemiology division at the Oblast Department of Public Health, had attended USAID-funded training in outbreak investigation, organized by CDC. With the skills gained during training, Dr. Alikova determined that the cause was sewage contamination of the city's drinking water. The findings compelled the City Akimat to immediately repair the city's water system and initiate new standards for disease prevention in Temirtau.

Photo: USAID





Masha took her first steps only recently, with the help of a school for disabled children outside Almaty, supported by USAID's Healthy Communities Grant Program. Masha's legs had failed to mature, and she wasn't able to walk throughout her childhood. At the school, she used weights and swimming for rehabilitation, and spent lots of time cultivating vegetables at the school's greenhouse. Masha began to let go of her crutches and soon was learning to walk around and water the plants on her own. "I have more confidence here," said Masha about the school.

Photo: Counterpart

practices have led to a reduction in nosocomial infection cases in Kazakhstan, down from 765 in 1998 to 590 in 2005.

For additional capacity building in public health, USAID finances a regional two-year Applied Epidemiology Training Program, implemented by CDC. A total of 12 epidemiologists from Kazakhstan have graduated from or are participating in the program to enhance skills in epidemiology, biostatistics, public health surveillance, and outbreak investigations.

Development of Nursing Profession

To reform nursing education and practice, USAID-supported medical partnerships helped with curriculum reform, faculty development, and the strengthening of nursing leadership and professional development. Assistance was provided to establish the Semey Nursing Association, the first nursing association in Kazakhstan and in Central Asia. The association has over 2,000 members and conducts trainings for nurses on a variety of topics, including nursing management and leadership. USAID also helped to revise nursing education curriculum and develop a bachelor's program at the Almaty Medical College for head nurses.

New materials related to HIV/AIDS, nursing research, health assessment, and psychological support to patients were introduced into the curricula at the Almaty Nursing College and the State Nursing College in Astana. Additionally, the Institute of Pediatrics received assistance to develop and introduce a continuing nursing education and training program for its nursing staff. This program became a basis for a four-year nursing education curriculum. A national association of public health specialists and the Central

Asian Regional Nursing Council were established.

Emergency Medicine

In 1994, the Almaty Emergency Medicine Services Training Center was established at the Almaty City Emergency Care Hospital through a USAID-supported Almaty and Tuscon, Arizona hospital partnership. The partners introduced a 72-hour specialty course for first responders. Eventually, the center signed an agreement with the Almaty Postgraduate Institute to provide courses on behalf of the institute and offered programs to specialists from all over the country. Through 2006, the center trained nearly 6,000 pre-hospital and hospital-level health professionals, as well as ambulance drivers, firemen, and flight attendants. In addition, over 2,500 laparoscopic surgeries had been performed at the City Laparoscopy Center at the Emergency Care Hospital through 2002 on patients who would not have survived conventional surgery; results showed a decline in hospital stay from 14 to 3 days.

A USAID-supported medical partnership helped to establish and equip the Toxicology Information Center in 1994. In late 1999, the center was designated, by ministerial order, as the Republican Toxicology Center. Since then, it has established affiliates in several oblasts of Kazakhstan, with a view to ensuring nationwide coverage.

Oncology

Through the Medical Partnerships program, in 1997 USAID helped to establish the Semey Cancer Registry that was soon expanded to include Ust-Kamenogorsk and Pavlodar and by mid-2001 contained over 7,000 records. Based

on this work, a Regional Association of Cancer Registries was created. USAID helped to introduce screening forms for various types of cancer for use as part of a patient's routine examination and develop protocols for Children's Acute Lymphoblastic Leukemia treatment, a parent education program for pediatric patients with leukemia, and cancer prevention programs. Pathologists were trained in procedures for leukemia cases and work with the cancer registry. With assistance from USAID, \$120,000 worth of pharmaceuticals to treat leukemia and other cancers were donated by American organizations

Health NGOs - for Healthy Communities

To empower health professionals and community groups to engage in improving health of their constituents, USAID supported a number of health sector NGOs in Kazakhstan. From 2000-2002, USAID helped to strengthen the operations of six major health NGOs: Semipalatinsk Amalgamated Association of Family Practitioners, Public Association of Consumptive (tuberculosis patients), Kazakhstan Association, Semey

Association of Nurses, "Meyirim" Public Association of Medium Tier Medical Workers, and Zheskazgan Family Doctors Association. The latter was also one of the first health NGOs established with USAID's assistance in the country. Due in part to this assistance, the Semey Amalgamated Association of Family Physicians successfully prevailed on local authorities to increase annual payments by 20% per patient so they can improve their services in 2003. The Association of Tuberculosis Patients raised funds to open a center that served children whose parents are temporarily hospitalized for treatment of tuberculosis.

USAID also engaged over 3,000 teenagers in the border areas in game days and summer camps to develop their understanding of personal health from 2002-2005. With USAID's support, communities improved sports fields and gymnasiums benefiting about 10,000 school children. Communities contributed an average of 64% of the cost of these projects, and USAID covered the remaining expenses. USAID also opened a computer connectivity center at the Rayon Health Promotion Center in Zhambyl so that children can use computers and continue learning about health and other subjects.

From 2003 - 2006, USAID's Healthy Communities Grant Program supported grassroots community health initiatives around the country. With USAID's assistance, communities identified and addressed local health care needs, thus developing the capacity of local organizations to implement community health initiatives. Seventy-three grants were provided to community initiative groups and NGOs in support of health-related projects that benefited over 320,000 people. Additionally, over 600 community representatives were trained how to assess and prioritize community needs, design projects, and evaluate their progress.

"USAID helped me to improve my professional skills and, moreover, take an active civic leadership position in my community," says Doctor Kurmangazy Beg-Ali, Director and Chief Physician of the Almaty Oblast Tuberculosis Clinic. The clinic runs a Center for Children of Tuberculosis Patients which provides a temporary home for the children while their parents undergo tuberculosis treatment in hospitals. After attending training on fundraising for health NGOs, organized by USAID, Doctor Beg-Ali secured additional funding from the local Akimat (city council) to support the center.

Photo: AED



2008 and Beyond: PLANS FOR THE FUTURE

USAID's programs have brought a wealth of international expertise to Kazakhstan since 1992 to advise national reforms and development of various sectors.

One of the key USAID goals over the years has been to develop local capacity for Kazakhstan to continue these processes without external support.

To facilitate the development of the local capacity, USAID created training opportunities in the region and the United States for over 14,000 Kazakhstan's specialists over the past fifteen years. Conferences, seminars, study tours, and technical advice sessions have enabled these local specialists to acquire best international practices and apply them to their areas of work. Moreover, a variety of organizations have been created and supported in their growth to provide important services or to become models in further development of their sectors. These professionals and organizations

already play an important role in building the future prosperity of Kazakhstan.

USAID continues working with the Government of Kazakhstan as well as private and nongovernmental sector entities to contribute to the achievement of the country's priorities. As the country becomes increasingly strong economically, USAID is working to identify ways to hand over the sponsorship for development projects to local entities.

In 2006, USAID and the Government of Kazakhstan signed a groundbreaking agreement, based on which Kazakhstan co-funds USAID's programs in the country. USAID also is seeking for opportunities to attract other entities – local and international organizations – to cooperate on development projects. Over years, several prominent businesses have partnered with USAID to further the development of health care, economy, and civic society in Kazakhstan.

USAID appreciates their generous contributions and is looking forward to future cooperation with the Government of Kazakhstan, the private sector, and nongovernmental organizations for the benefit of the people of Kazakhstan.



In 2006 a group of ten leaders from youth NGOs traveled to the U.S. for a three-week study tour. Representatives from Kostanai, West Kazakhstan Oblast, Taraz, and Shymkent learned about the work of American NGOs, including their functions, fundraising, tax systems, and interaction with the government. One of the participants, Anara Zhakupova, said: "I especially liked the training on fundraising and grant writing. I am applying them to raise funds for my NGO."

Photo: Community Connections



With USAID's funding, Eurasia Foundation supports private enterprise development, civil society, independent media, public administration, and education through grants to local and international organizations.

Photo: Eurasia Foundation of Central Asia

U.S. Agency for International Development (USAID)
Regional Mission for Central Asian Republics
41 Kazibek Bi St., B Wing
Almaty, Kazakhstan 050010
Ph.: 7-727-250-76-12
<http://centralasia.usaid.gov>